

## Message Text

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ACTION XMB-07

INFO OCT-01 AF-10 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 DOTE-00 DRC-01 /088 W

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R 161200Z JAN 74

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC 2398

INFO AMEMBASSY KINSHASA

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E.O. 11652: N/A

TAGS: EFIN

SUBJECT: EXIM: BIERMAN VISIT AND NIGERIA AIRWAYS

1. SUMMARY: VISIT OF EXIM VICE PRESIDENT JOHN BIERMAN HAS BROUGHT HOME TO MINISTRY OF FINANCE AND MINISTRY OF TRANSPORT SERIOUSNESS WITH WHICH EXIM REGARDS NIGERIA AIRWAYS' DELINQUENCIES AND IMPLICATIONS OF CONTINUED DELINQUENCY. MATTER IS NOW CLEARLY IN MINFIN'S HANDS AND ALTHOUGH MINFIN OFFICIAL WOULD ONLY PROMISE PAYMENT IN "NOT TOO DISTANT" FUTURE, HE ASSURED BIERMAN THAT MINFIN ACCEPTS UNEQUIVOCALLY ITS OBLIGATION AS GUARANTOR AND THAT PAYMENT WILL BE MADE AS SOON AS APPROVAL CAN BE OBTAINED FROM FEDERAL EXECUTIVE COUNCIL. BIERMAN ALSO ELICITED ASSURANCE OF SUPPORT FROM COMMISSIONER FOR ECONOMIC DEVELOPMENT AND RECONSTRUCTION. AT TIME THIS MESSAGE DRAFTED BIERMAN HAD NOT YET MET WITH NIGERIA AIRWAYS BUT CLEAR IN ANY CASE THAT LATTER NOW IN PASSIVE ROLE IN SITUATION. END SUMMARY

2. KEY CONVERSATIONS THIS SUBJECT IN CHRONOLOGICAL ORDER WERE WITH ADEDEJI, COMMISSIONER OF ECONOMIC DEVELOPMENT AND RECONSTRUCTION; PERMANENT SECRETARY LONGE IN MINISTRY OF TRANSPORT; AND (UN ABSENCE OF COMMISSIONER, PERMSEC, AND DEPPERMSSEC AT MEETINGS COMMITTEE OF 20 IN ROME AND AFRICAN DEVELOPMENT BANK IN ABIDJAN) WITH ENODIEN IN MINISTRY OF FINANCE.

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3. ADEDEJI PROFESSED TO NO MORE THAN UNDERSTANDING THAT NIGERIAN

AIRWAYS' WAS IN FINANCIAL TROUBLE, AND HAVING PROBLEMS MEETING ITS BILLS. IN RESPONSE TO BIERMAN'S PRESENTATION HE SAID THAT OPERATIONAL MINISTRIES WERE MINISTRIES OF TRANSPORT AND OF FINANCE, AND THAT HE WAS NOT FAMILIAR WITH DETAILS OF EXIM SITUATION. HOWEVER, HE SAID HE WOULD BE WILLING TO HELP IF AFTER CONVERSATIONS IN MOT AND MIN FIN, HIS HELP SEEMED NECESSARY.

4. IN MINISTRY OF TRANSPORT, COMMISSIONER DIKKO WAS NOT AVAILABLE, AND PERMSEC LONGE DID THE HONORS. HE SAID THAT MOT TOOK NIGERIA AIRWAYS' DELINQUENCIES JUST AS SERIOUSLY AS DID EXIM.

HOWEVER, NIGERIA AIRWAYS WAS BROKE AND COULD NOT PAY ITS BILLS AND EXIM DELINQUENCY WAS NOT RESPONSIBILITY OF MINISTRY OF FINANCE. LONGE ADDED THAT THERE HAD BEEN CERTAIN DELAYS IN GETTING MATTER FIRMLY INTO MINFIN'S HANDS BECAUSE LATTER HAD WANTED DETAILED ACCOUNTING OF NIGERIA AIRWAYS' ORDERS, PAYMENTS, OBLIGATIONS AND SO FORTH AND THIS HAD TAKEN TIME TO PREPARE. ACCORDING TO LONGE, NIGERIA AIRWAYS HAD ONLY PUT THIS PACKAGE TOGETHER ABOUT TWO WEEKS AGO. PACKAGE WAS NOW READY FOR TRANSMITTAL TO MINFIN WITH FORMAL REQUEST FOR PAYMENT, AND MOT HOPED FOR EARLY RESOLUTION.

5. IN MINISTRY OF FINANCE, ENODIEN OF EXTERNAL FINANCE DIVISION SAID THAT MINFIN AND FMG WERE MUCH EMBARRASSED AT NIGERIA AIRWAYS' DELINQUENCY; AND THAT MINFIN ACCEPTED WITHOUT QUESTION ITS OBLIGATION TO PAY UP AND WOULD DO SO; BUT THAT PAYMENT HAD TO BE INITIATED, DOCUMENTED, AUTHORIZED AND MADE IN KEEPING WITH FMG'S SOMETIMES CUMBERSOME PROCEDURES. HE SAID THAT MINFIN HAD BEEN WAITING FOR MOT TO INITIATE FORMAL PAYMENT REQUEST, NEXT STEP IS FOR MINFIN TO GO TO FEDERAL EXECUTIVE COUNCIL FOR AUTHORIZATION TO PAY. THAT COULD TAKE TIME, AND ENODIEN DID NOT WANT TO NAME DATE FOR PAYMENT. AT ONE POINT HE SAID "NOT TOO DISTANT" FUTURE AND AGAIN "NOT TOO LONG."

6. ENODIEN ADDED THAT COMPLICATING FACTOR IN NIGERIA AIRWAYS' SITUATION WAS EFFORT UNDER WAY WITHIN MINFIN AND MORE BROADLY WITHIN FMG TO ESTABLISH AND REGULARIZE "ONCE AND FOR ALL" FINANCIAL RELATIONSHIPS BETWEEN FMG (READ MINFIN) AND STATUTORY CORPORATION LIKE NIGERIA AIRWAYS IN ORDER TO AVOID RECURRENCE LIMITED OFFICIAL USE  
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OF SITUATIONS OF THIS KIND.

7. ENODIEN ASSURED BIERMAN THAT HIS PRESENTATION WOULD BE BROUGHT TO ATTENTION COMMISSIONER AND PERMSEC ON THEIR RETURN TO LAGOS AND ASKED THAT BIERMAN CONVEY MINFIN ASSURANCES ABOUT PAYMENT TO EXIM.

8. BIERMAN HAS READ AND CONCURS IN THIS MESSAGE BUT IS ALSO SENDING OWN MESSAGE TO EXIM.  
CROSBY

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** ECONOMIC DEVELOPMENT, FINANCIAL STABILITY, VISITS, AIR ROUTES, DEBT REPAYMENTS, ECONOMIC RECONSTRUCTION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 JAN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
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**Film Number:** n/a  
**From:** LAGOS  
**Handling Restrictions:** n/a  
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**Line Count:** 115  
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**Office:** ACTION XMB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
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**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 21 MAY 2002  
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**Subject:** EXIM: BIERMAN VISIT AND NIGERIA AIRWAYS  
**TAGS:** EFIN, EXIM, (BIERMAN, JOHN D)  
**To:** STATE  
**Type:** TE  
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